

Pre-Examination Inquiry

Charter No. _____

PERSONNEL MANAGEMENT

1. Have any key personnel changed since the last examination?
If yes, list the positions affected:

☐ Yes ☐ No
2. Have any lawsuits been filed against the credit union or management since the last examination.
If yes, provide the nature and alleged cause of the lawsuits:

☐ Yes ☐ No

FINANCIAL AND OPERATIONAL MANAGEMENT

1. What, if any, changes have been made to the short and long-term financial and operational goals since the last examination?
2. What, if any, programs have been discontinued and/or introduced since the last examination?
3. Have there been any adverse changes in the primary sponsor, other groups served or the local economy since the last examination?
If so, describe the changes:

☐ Yes ☐ No

4. What, if any, changes have occurred in the operation and/or management of the credit union's CUSO since the last examination?

5. Have any branches been opened/closed since the last examinations?

☐ Yes ☐ No

Please list the locations along with a brief description of the level of service (such as full, partial, limited). Indicate which branches have been closed, if applicable:

LOANS

1. Were there any new loan programs started since the last examination?

If yes, describe the programs:

☐ Yes ☐ No

2. Does management monitor the competitions' rate?

☐ Yes ☐ No

3. Is the credit union an approved FNMA or FHLMC seller/servicer?

☐ Yes ☐ No

4. Does the credit union grant commercial loans?

☐ Yes ☐ No

If yes, what type of commercial loans is granted (real estate loans, other secured loans.)

INVESTMENTS

1. Does the credit union use brokers?

☐ Yes ☐ No

If yes, have there been any changes since the last examination?

Brokerage Firm

Dollar Volume

Dollar Amount

2. Has the credit union changed its investment strategy since the last examination?
If yes, what was changed? ☐ Yes ☐ No

SHARES/DEPOSITS

1. Were there any new programs started since the last examination? ☐ Yes ☐ No
If yes, what kind?

2. Does management monitor the competitions' rates? ☐ Yes ☐ No

SUPERVISORY COMMITTEE

1. Date of the most recent audit:

2. Who performed the most recent audit?

3. If performed by an outside auditor, how many years has this firm performed the audit?

4. Was an opinion rendered?

5. When was the last verification of accounts performed, and by whom?

6. Does the credit union have an internal audit department? ☐ Yes ☐ No
If yes, what audit steps were performed during the examination period and what is the scope for the next twelve months?

CONTRACTS

1. Has the credit union entered into any new contracts since the last examination?
If yes, what is the type and nature of the contract(s)? ☐ Yes ☐ No

TECHNOLOGY/SERVICES

1. Has the credit union established a website? ☐ Yes ☐ No
If yes, what is the internet address and how long has it been in operation?

2. Does the credit union offer a home-banking service to the membership?
If yes, how long has it been in operation? ☐ Yes ☐ No

BOND CLAIMS

1. Have there been any bond claims since the last examination? ☐ Yes ☐ No
If yes, did it involve an official, employee, or a member? ☐ Yes ☐ No
Briefly explain:

2. Are any claims outstanding at this time? ☐ Yes ☐ No
If yes, please describe?

Regulatory Compliance

MORTGAGE ANTI-REDLINING COMPLIANCE CHECKLIST

Authorized By PA 135 of 1977

1. Do you post a notice as required by sections 5(1) and 5(2) and rule 4 in a conspicuous place where mortgage or home improvement loan inquiries or application are routinely received?
Explain any "No" answer. ☐ Yes ☐ No ☐ NA

2. Is the pamphlet or document which describes your lending criteria for mortgage and/or home improvement loans available to the public without the aid of an employee in an area of the office or service center where loan inquiries or loan application are routinely received?
(Attach a copy of the pamphlet or document to this checklist.) ☐ Yes ☐ No ☐ NA
3. Do your lending policies and the lending criteria pamphlet or document contain the language required by section 2(9) and address the topics set forth in section 3 of the Act?
Explain any "No" answers. ☐ Yes ☐ No ☐ NA

4. Do you impose a minimum mortgage loan amount of \$10,000.00 or less or a minimum home improvement loan amount of \$1,000 or less? (See section 2.)
Explain any "No" answers. ☐ Yes ☐ No ☐ NA

5. Do you retain loan application files for 25 months after the loan application is made?
(Required by section 7.) ☐ Yes ☐ No ☐ NA
6. Do your files of mortgage and home improvement loan applications denied or whose terms were varied and not accepted include copies of the adverse action statements (similar to that required under ECOA) provided to applicants?
Explain any "No" answers. ☐ Yes ☐ No ☐ NA

7. Do you maintain written policies concerning criteria for approval or denial of mortgages or home improvement loan applications?
Explain any "No" answers. ☐ Yes ☐ No ☐ NA

REGULATION C – HOME MORTGAGE DISCLOSURE ACT

1. Did you file a HMDA Loan Application Register (LAR) by March 1st following the reporting year? [section 203.5(a)] ☐ Yes ☐ No
2. N/A – To be completed by the examiner.
3. Have you posted the notice of availability of the disclosure statements in the lobbies of your home and branch offices located in a MSA? [section 203.5(d)] ☐ Yes ☐ No

FDPA – FLOOD DISASTER PROTECTION ACT

1. Have you maintained records to indicate the method used to determine whether improved real estate or a mobile home offered as security for a loan is located in a special flood hazard area? (section 760.6) ☐ Yes ☐ No
2. Do you require flood insurance for the building, mobile home, or personal property securing a loan if located in an area that has been identified as having special flood hazards and in which flood insurance has been made available? [section 760.3(a)] ☐ Yes ☐ No
3. Do you provide the borrower with a Notice to Borrower in Special Flood Hazard Areas (SFHA) at least 10 days before closing? (section 760.9) ☐ Yes ☐ No
4. Do you receive an acknowledgement from the borrower before the loan closes? [section 760.9(d)] ☐ Yes ☐ No
5. Do you require evidence that sufficient flood insurance was purchased by the time the loan closes? ☐ Yes ☐ No
6. Do you require and monitor flood insurance coverage for the life of the loan? [sections 760.3(a) and 760.7] ☐ Yes ☐ No
7. If you require escrowing for taxes, insurance premium fees or any other charges on subject loans, do you establish an escrow account for flood premiums as well? (section 760.5) ☐ Yes ☐ No

REGULATION CC – EXPEDITED FUNDS AVAILABILITY ACT (TRANSACTION ACCOUNTS)

1. Do you make deposited funds available as required by Regulation CC? (section 229) ☐ Yes ☐ No
2. Do you begin to accrue interest on the funds deposited at least as soon as it received credit for the funds? (section 229.14) ☐ Yes ☐ No

3. Do you provide members and potential members with clear, conspicuous, written disclosures regarding your funds availability policies? (sections 229.15, 229.16, and 229.18)
☐ Yes ☐ No
4. Have you established procedures to train employees on, and monitor compliance with, the requirements of the regulation? (section 229.19)
☐ Yes ☐ No

TISA – TRUTH IN SAVINGS ACT

1. Do you have detailed disclosures, written in reasonably clear and plain language, of fees, rates, and other terms applicable to each class of account? (section 707.3)
☐ Yes ☐ No
2. Is the Annual Percentage Yield (APY) accurately calculated and disclosed based on a test check of at least one account?
 Type? _____
☐ Yes ☐ No
3. Are the initial disclosures provided when required?
☐ Yes ☐ No
4. Do you disclose the APY and the dividend rate using those terms appropriately in the account disclosures for each class of account? [section 707.4(b)]
☐ Yes ☐ No
5. Are policies and procedures in place which require credit union staff to state the APY when responding to oral account inquiries? (section 707.4)
☐ Yes ☐ No
6. Are account holders notified of any adverse changes to account terms at least 30 days in advance of the change? [section 707.5(a)]
☐ Yes ☐ No
7. Are dividends calculated on the full amount of principal in the account for each day of the stated calculation period by either the daily balance or average daily balance method? (section 707.7)
☐ Yes ☐ No
8. Do periodic statements include clear and conspicuous disclosure of: (a) the Annual Percentage Yield Earned (APYE), (b) the amount of dividends earned, (c) the amount and type of fees imposed, and (d) the time frame of the reporting period? (section 707.6)
☐ Yes ☐ No
9. Is the APYE accurately calculated [section 707.6(b)(1)]?
☐ Yes ☐ No
10. Do share account advertisements, announcements, internet web pages, or other solicitations avoid misleading or inaccurate representations of share account terms? (section 707.8)
☐ Yes ☐ No

CODE OF ESCHEATS

1. Have you filed the annual Report of Unclaimed or Abandoned Property form?
Date of last filing: _____ ☐ Yes ☐ No
2. Do you have a written policy as to when an account is considered dormant? ☐ Yes ☐ No
3. Do you have a program to identify dormant accounts? ☐ Yes ☐ No
If so, are the dormant accounts segregated from the active accounts? ☐ Yes ☐ No
4. Are dormant accounts under dual control? ☐ Yes ☐ No
5. Do you have a policy for service or carrying charges on dormant accounts?
If so briefly describe. ☐ Yes ☐ No

INFORMATION SYSTEMS DATABASE

Institutions Name	Charter #
Address	City, Village or Township and State, Zip
Exam Date	Total Assets
Examiner	

Detail core system vendor name and address, applications provided, network operating system, and whether in house or serviced (on-line):

Name of Information Services Vendor
Address
City, Village or Township and State, Zip
<input type="checkbox"/> In-house <input type="checkbox"/> Serviced
Credit Union Information Systems Contact Person

Computer Manufacturer
Model Name & Number
Operating System
Network Operating System

<input type="checkbox"/> Shares/Savings	<input type="checkbox"/> Draft/Checking	<input type="checkbox"/> Revolving	<input type="checkbox"/> Mortgages
<input type="checkbox"/> General Ledger	<input type="checkbox"/> Time Deposits	<input type="checkbox"/> Credit Card	<input type="checkbox"/> Investments
Other: Please List.			
Product	Vendor Name	Vendor Address	In-house or Serviced

Detail any applications programmed/maintained in-house:

INTERNET SERVICES:

Internet Site	http://www.
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Name of Internet Service Provider	
Address	
City, Village or Township, and State, Zip	

Detail internet services offered – (i.e.) informational website only, internet transaction processing, portal to the internet from the computer system, hot links to other web sites outside the computer system:

Name and Physical Location of Firewall Product:	
Address	
City, Village or Township and State, Zip	

Comments/Questions for Information Systems Examiners:

CERTIFICATION

I certify, to the best of my knowledge and belief, that all information contained herein is accurate, and based on information extracted from credit union records.

Chairperson	Date
Treasurer	Date
General Manager	Date